

14 July 1972

MEMORANDUM FOR: Deputy Director of Security  
for Personnel Security

SUBJECT : Agency Annual Report, dated 6 July 1972,  
for FY 1972

1. Pursuant to your request the following items are submitted  
for your consideration in the subject report:

I. MAJOR DEVELOPMENTS

A. No input.

B. New Coverages

1. Econocic - No Personnel Security Division input.

2. Narcotics - Employees who are scheduled for overseas assignment are being made aware of the narcotics problem through a Drug Seminar for Sponsors Program which was initiated in July 1972. Each employee and spouse in a group is given a thorough narcotics briefing by the Offices of Security and Medical Services. This Program was given initial impetus by Ambassador Leonard Unger in Thailand in 1971 when he established a Mission Committee to Review Drug Abuse Policy. Currently files of all employees scheduled for overseas assignment are thoroughly reviewed with particular emphasis on information relating to dependents.

3. Southeast Asia - No Personnel Security Division input.

4. Other crises - No Personnel Security Division input.

EXEMPT FROM GENERAL DECLASSIFICATION SCHEDULE  
OF E. O. 11652, EXEMPTION CATEGORY:  
5B(1), (2), (3) or (4) (circle one or more)

WARNING NOTICE  
SENSITIVE INTELLIGENCE SOURCES  
AND METHODS INVOLVED

DECLASSIFIED BY *Approval of D.C.*

C. Political Atmosphere

1. Abroad - No Personnel Security Division input. 25X1



- D. CIA in the Intelligence Community - No Personnel Security Division input.

- E. Budget Trends - No Personnel Security Division input.

II. MAJOR ACCOMPLISHMENTS AND FAILINGS

- A. B. C. - No Personnel Security Division input.

- D. Support

1. Security - (As noted in Tab D the [redacted] Marchetti cases may bear comment. In addition the Agee, and [redacted] cases come to mind. Due to the sensitive and selective nature of these cases it is believed these cases should only be reported on at the Staff level.) 25X1

(a) The sensitive issue of Narcotics continues to complicate processing of applicant type cases. It has necessitated the preparation of three or four memoranda on the same case.

More often than not processing will include pre-employment polygraph examination, and coordination with the Offices of Personnel and Medical Services. In any event each individual is afforded a personal interview by a representative of Personnel Security Division if approved. In addition there has been an increasing utilization of pre-final interviews to determine directly from the applicant if he believes he can work effectively under Agency regimen and to obtain an additional personal assessment.

(b) Far East Division officials have been continuing their requirements for file reviews of current [ ] employees 25X1 who could meet staff standards for the training of Chinese Linguists, Translators and Interpreters in the advent of

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(c) [ ] officials in Far East Division have 25X1 increasingly been requesting file reviews under their [ ] Program.

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(d) The change in approach to "Summer Only" employees reported on last year was again installed this year. As a result 211 such employees have been afforded a personal interview. The objective is to impress upon each dependent his personal involvement with the Agency as a member of an Agency family, regarding his personal conduct and reputation. They are thoroughly acquainted with policies regarding their behavior, use of drugs, outside activities, and the requirement to report all significant incidents. Reaction has been very favorable from both the employees and the components to which they are assigned. It is believed that a rapport has been established which will pay dividends in the future.

(e) The standardization and control of actions supplemental to retirement has again proven successful. Retirement actions will approximate 700 for FY 1972. Supplemental actions, such as awards, resumes, and reserve actions will approximate 1,200. Therefore, a decided savings has again been accomplished when compared to former processing methods.

(f) With regard to the established Reinvestigation Program it is noted that actual initiations totaled 1,513 cases. Projected estimation in January 1972 for FY 1972 was 1,596. However, this total is up from 1,225 for FY 1971.

(g) Concerning staff type initiations by Office of Personnel FY 1972 closed with a total of 2,432 initiations. Projected estimates by Office of Personnel in January 1972 were 1,839. This compares to 2,451 total initiations in FY 1971.

(h) Other field type investigations initiated totaled 2,398 for FY 1972. Projected figures called for 1,950. FY 1971 total was 2,505.

### III. AHEAD

#### A. Resources Outlook

1. Following two years of preparation the CAPER System is expected to begin functioning early in FY 1973. While this system undoubtedly will eventually provide faster, more efficient and improved service immediate prospects are believed to indicate great difficulties in clerical staffing. It has been determined that this change will take place with no increase in personnel. Necessity requires, therefore, that four GS-5 Stenographer slots be converted to GS-5 Terminal Operator slots. The loss of these clerical positions can only have an adverse effect on quality and processing time.

2. Details or explanation concerning the above may be obtained from the undersigned.



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Acting Chief  
Personnel Security Division

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